

Readopt with amendment He-W 520.04, effective 1/17/09 (Document #9365), cited and to read as follows:

CHAPTER He-W 500 MEDICAL ASSISTANCE

PART He-W 520 GENERAL PROGRAM INFORMATION

He-W 520.04 Surveillance and Utilization Review and Control.

(a) The purpose of a surveillance and utilization review and control program is for the department to:

- (1) Assess the quality of the care, services, and supplies received by recipients and for which a medicaid program has reimbursed providers;
- (2) Detect, correct, and prevent occurrences of unnecessary or inappropriate medical care, service, or supply usage by recipients, or provision by providers, for which a medicaid program has reimbursed providers; and
- (3) Ensure that accurate and proper reimbursement has been made for the care, services, or supplies provided.

(b) The department shall be responsible for surveillance and utilization review and control activities by:

- (1) Performing the utilization reviews directly, or contracting with professional organizations for the performance of reviews; and
- (2) Monitoring the results of reviews to ensure appropriate corrective action has been taken.

(c) Reviews described in (b)(1) and (2) above shall include:

- (1) Reviewing recipient utilization and provider service profiles generated quarterly by the MMIS in accordance with 42 CFR 456.23;
- (2) Reviewing provider claims selected randomly;
- (3) Reviewing claims for all or selected services for a given period of time;
- (4) Application of the Centers for Medicare and Medicaid Services' National Correct Coding Initiative (CMS NCCI) to review claims processed by the fiscal agent to ensure:
 - a. That the provider has coded claims properly; and
 - b. That the claims processing system has made proper payment through application of edits based upon the CMS NCCI;
- (5) An on-site review of hospital, office, or other provider records to establish the accuracy of claims data and to ensure other documentation supports the claim for services rendered;

(6) Contacting recipients to verify that services or supplies claimed for reimbursement by providers were actually rendered;

(7) Contacting providers in order to recover overpayments or correct underpayments; and

(8) Referring cases of potential fraud for further investigation and possible criminal action, pursuant to 42 CFR 455.15.

APPENDIX B

RULE	STATE OR FEDERAL STATUTE THE RULE IMPLEMENTS
He-W 520.04	42 CFR 455; 42 CFR 456